

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



FILED

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In the Matter of the Application of
California-American Water Company (U
210 W) for an order authorizing it to
increase its rates for water service in its Los
Angeles District to increase revenues by
\$2,020,466 or 10.88% in the year 2007;
\$634,659 or 3.08% in the year 2008; and
\$666,422 or 3.14% in the year 2009

A.06-01-005

**CALIFORNIA-AMERICAN WATER COMPANY NOTICE OF EX PARTE
COMMUNICATIONS**

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Attorneys for Applicant
California-American Water Company

Date: May 17, 2007

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COMMUNICATIONS**

In accordance with Article 8 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), California-American Water Company (“California American Water”) hereby files this notice of its ex parte meeting with Commissioner Bohn’s Advisor, Laura Krannawitter.

On Monday, May 14, 2007, at 1:00 p.m., Kent Turner and Kevin Tilden of California American Water and Lori Anne Dolqueist of Steefel, Levitt & Weiss, counsel for California American Water, met with Ms. Krannawitter in her office at the Commission. The meeting lasted approximately thirty minutes. The meeting consisted solely of oral communications. At the meeting Messrs. Turner and Tilden and Ms. Dolqueist discussed the *Proposed Decision of ALJ Walwyn*, issued May 7, 2007 (“Proposed Decision”). Messrs. Turner and Tilden and Ms. Dolqueist argued that the return on equity in the Proposed Decision is too low and does not properly take into account California American Water’s financial risk. Messrs. Turner and Tilden and Ms. Dolqueist also argued that the proposed decision’s position that implementation of a Water Revenue Adjustment Mechanism (“WRAM”) should lead to a downward adjustment in return on equity is incorrect and premature.

Parties may request a copy of this notice by contacting:

Cinthia Velez
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Dated: May 17, 2007

Respectfully submitted,

STEEFEL, LEVITT & WEISS
A Professional Corporation

By: /s/ Lori Anne Dolqueist
Lori Anne Dolqueist
Attorneys for Applicant
California-American Water Company

PROOF OF SERVICE

I, Cinthia A. Velez, declare as follows:

I am employed in the City and County of San Francisco, California. I am over the age of eighteen years and not a party to this action. My business address is STEEFEL, LEVITT & WEISS, One Embarcadero Center, 30th Floor, San Francisco, California 94111-3719. On May 17, 2007, I served the within:

California-American Water Company Notice of Ex Parte Communications

on the interested parties in this action addressed as follows:

See attached service list



(BY PUC E-MAIL SERVICE) By transmitting such document(s) electronically from Steefel, Levitt & Weiss, San Francisco, California, to the electronic mail addresses listed above. I am readily familiar with the practices of Steefel, Levitt & Weiss for transmitting documents by electronic mail, said practice being that in the ordinary course of business, such electronic mail is transmitted immediately after such document has been tendered for filing. Said practice also complies with Rule 1.1 of the Public Utilities Commission of the State of California and all protocols described therein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on March 17, 2007, at San Francisco, California.

/s/ Cinthia A. Velez

Cinthia A. Velez

VIA PUC E-MAIL SERVICE

A.06-01-005

Last changed: May 16, 2007

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